




Department of Medical Assistance Services


Medicaid and Schools Reimbursement

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Reimbursement Highlights

- Latest Totals and Trends
- Funding sources and changes due to Covid-19
- Cost Settlement
- Services under state contract
- Administrative Claiming

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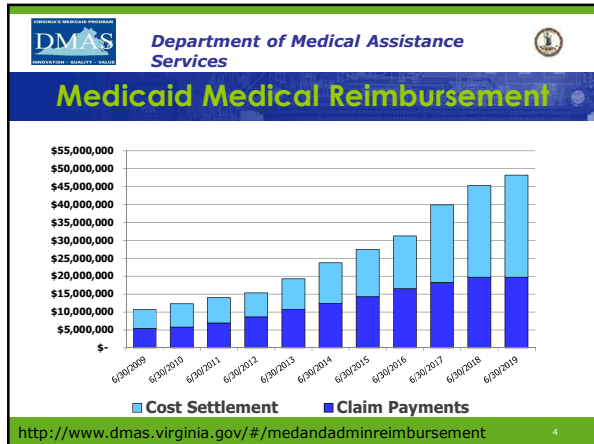


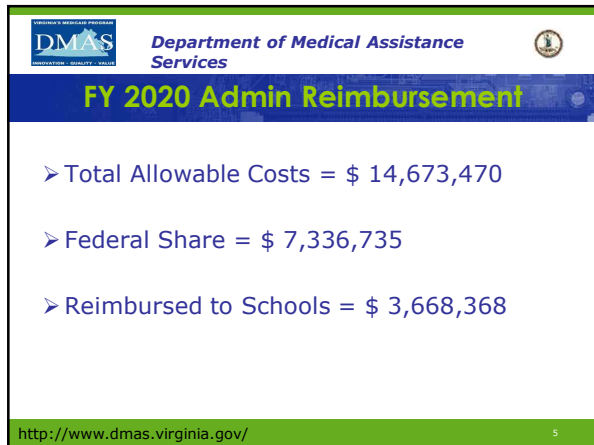
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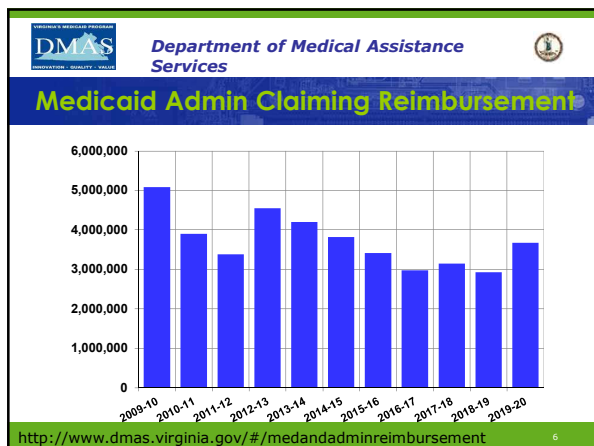
FY 2019 Medical Reimbursement


- Total Allowable Costs = \$ 87,482,576
- Federal Share = \$ 50,664,790
- Reimbursed to Schools = \$ 48,131,550
 - Interim Claim Payments = \$ 19,711,605
 - Cost Settlement Payments = \$ 28,419,945

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Federal Funding Sources

- Medicaid grant - 50% federal match rate
- Children's Health Insurance grant (CHIP) - currently 76.5% federal match rate
- Effective October 1, 2020 the match rate for CHIP will decrease from 76.5% to 65%. (Impacts SFY 2021 and beyond cost settlements)

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Federal Match Increase – COVID 19

- The Families First Coronavirus Response Act (FFCRA) provides a temporary increase to federal matching rates for medical services. This increase has a retroactive effective date of January 1, 2020.
- The increase will remain in effect through the end the last calendar quarter of the declared public health emergency.

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Federal Match Increase – COVID 19

- Medicaid – 6.2% temporary FFP increase (bumps federal match rate to 56.2%)
- CHIP – 4.34% temporary FFP increase (bumps federal match rate to 80.84%)
 - On October 1, 2020 the CHIP match rate will decrease to 69.34% (65% match effective 10/1/2020 + 4.34% temporary increase)
- No federal match increase for Admin costs

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Federal Match Increase – COVID 19

- The increased federal match rates will be factored into the annual cost settlement process to ensure all school districts are properly reimbursed based on the FFP rates in effect during the year being settled.

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State Budget Requirement

- Five percent of the federal share for medical services is kept by the state.
- For administrative claiming, the state keeps 50 percent of federal share.
- DMAS uses the funds in part to cover costs in expanding assistance to school divisions.

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Cost Settlement

- Cost settlement is a reimbursement methodology based on calculation of the cost of Medicaid covered services furnished to Medicaid-enrolled students.
- Although final reimbursement is based on costs, federal requirements mandate interim billing of Medicaid services as they are delivered.

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Interim Billing Requirement

- Schools must submit claims to VAMMIS for every individual Medicaid-qualified service that is delivered to a Medicaid-enrolled student.
- The Billing Compliance Review (BCR) is used to monitor the interim billing requirement and is part of the cost reporting process. School divisions are required to calculate a percentage of Medicaid reimbursable services billed and paid.

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Improving Claims Submission

- Higher BCR Percentage = Higher Reimbursement
- Monitoring of claims submission and payment regularly during the year can increase reimbursement.
- UMass provides an online "Claim Review" feature to assist school divisions in monitoring interim billing activity during the year and in conjunction with billing compliance review and claiming percentage calculation.

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Cost Settlement Payment

- DMAS' goal is to make all cost settlement payments prior to the end of the state fiscal year (FY20 cost settlements to be paid by FYE June 30, 2021).
- To meet this deadline UMass must submit cost settlement reports to DMAS by May 15 to allow sufficient time for processing prior the year end cutoff in mid-June.
- Given this schedule, school divisions must submit their cost reports and Billing Compliance Reviews (BCR) to UMass by November 30.

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State Contracted Services

DMAS contracts with UMASS Medical School to provide all services related to school based Medicaid reimbursement including the following:

- Administer Random Moment Time Study (RMTS) used in admin claiming and medical cost reports.
- Assist school divisions in submitting their self-prepared quarterly administrative claims through the web-based UMASS system. Review and approve the claims for certification and submit to DMAS for processing.

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State Contracted Services

- Assist school divisions with Medicaid eligibility matching.
- Assist school divisions in preparing annual medical service cost reports.
- Review, reconcile, and settle annual medical service cost reports.
- Provide online Claim Review function to assist school divisions in monitoring interim billing activity.

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State Contracted Services

- Assist school divisions in conducting Billing Compliance Review (BCR) and conduct reviews of the results.
- Assist school division staff who may be new and unfamiliar with Medicaid and unfamiliar with financial reporting.

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Goals of Eligibility Matching

- Use technology to assist school divisions in eligibility matching.
- Improve eligibility matching to maximize both admin and medical reimbursement.
- School Divisions can utilize the start date information to help track renewal dates and conduct outreach activities to help keep families enrolled in Medicaid or FAMIS

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Privacy Agreement for Eligibility Matching

- Agreement is in place between UMASS and participating school divisions to protect the privacy of student information.
- DMAS does not have access to school division student information.
- Approximately 95% of participating school districts have agreements in place with UMASS to use the UMASS eligibility matching system.

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Two-year Window for Admin Claiming

- Administrative claims must be submitted, processed, paid, and certified to CMS within two years.
- Reimbursement for the oldest eighth quarter will be lost as the claim cannot be paid and certified within two years given the processing time required for UMASS and DMAS.
- Thus, school divisions should submit only 7 quarters of claims in a given quarter to ensure payment for all quarters within the two-year window.

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Notifying Changes in SD Contact Information

- Please notify changes in school contact information related to admin claiming (e.g. new Superintendent or Medicaid Coordinator) by e-mail to: keith.collins@dmass.virginia.gov
- DMAS updates the admin claiming contact information database only upon notification by the school division.
- Changes in contact information related to **medical claiming** should be processed through the Medicaid Portal.

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Resources

- DMAS website page dedicated to Medicaid school-based services:
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Contact Information


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Reimbursement Contact Information

- DOE
 - Amy Edwards, 804-692-0150,
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